



Boston Connects, Incorporated
Boston Empowerment Zone
2201 Washington Street

BOARD MINUTES
May 27, 2003

Members Present: Mike Vance-*President*, Mike Foley-*Treasurer*, Joelee Baker-Bey, Ralph Cooper, Michael F, Glavin, George Greenidge, Joanne Hilferty, Mark Maloney, Elizabeth Miranda, Valerie Pruitt, Frederick Umeh and Juanita Wade

Members Absent: Robert Kinney-*Vice President*, Gloria Coney-*Clerk*, Rev. Gerald Bell, Judy Flashner, Charlotte Golar-Richie, Betty Greene, Robert Harrington, John Wagner and Thomas Yee

BCI Staff: Shirley Carrington

BRA Staff: Frank Tocci

DND Staff: Keith Hunt, Reginald Nunnally and Steven Rumpler.

EDIC Staff: Michelle Trousil

Ex-Officios: Senator Dianne Wilkerson

Guests: Duane Jackson, Pastor John Jones, Harold Raymond, Herb Riggs and Ro Whittington

Meeting called to order at 6:20 p.m.

Introductions were made.

Mr. Vance announced that the Executive Director, Ms. Araujo was ill but that he had spoken to her several times today. Mr. Vance circulated another Board Committee sign up sheet and encouraged Board members to sign up to serve on a Committee because it is required in the by-laws.

1. APPROVAL OF MINUTES:

Mr. Glavin corrected the statement, page 2 "memorialized concern regarding flexible funding in support of FOC's" the terminology should be changed to "discussed concern regarding the flexible funding in support of FOC's."

Motion: To accept minutes of the May 13, 2003 Special Board Meeting with the changes.

By: Mike Foley

Second: Joelee Baker-Bey

Recused: 0

Abstained: 0

Opposed: 0

Motion: **Carried.**



Thomas M. Menino, Mayor
City of Boston

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2. COMMITTEE REPORTS:

A. Economic Development Committee:

Mr. Glavin, Chair of the Economic Development Committee, gave opening remarks regarding the Blue Hill Commons project. The project has presented to the Committee at its May 5, meeting. He introduced Mr. Riggs and Mr. Whittington Project Developers and Mr. Raymond, Consultant.

Mr. Cooper disclosed that Mr. Raymond was a consultant for Veterans Benefit's Clearinghouse.

Mr. Whittington gave opening remarks on Blue Hill Commons stating that the project is a long-term vision of the development team. It will allow for ownership of space. Mr. Raymond presented the rendition of the two story commercial building located on Blue Hill Ave. at the intersection of Irving Street. The 12,000 square foot building would have four retail spaces on the first floor and four office spaces on the second floor. The rear of the commercial building would be eight units of affordable housing supported by the Department of Neighborhood Development and supports the Mayor's Housing Initiative. The \$2 million project will be supported as follows: \$1,450,000 EZ Bonds, \$150,000 from BLDC, \$370,000 in equity and \$400,000 through a Terms and Condition letter from the Boston Private Bank. The project will create 48 jobs (33 new) and 70 construction jobs.

Mr. Riggs gave an overview of the project and the associated jobs. The development team is still recruiting tenants for the building and is committed to the 35% EZ job requirement. Most of the jobs will be 1099. The restaurant manager, chef etc. will have a benefits package. He acknowledged the difficulty in obtaining health coverage for small businesses with one or two employers but that he is negotiating with a company to get a health insurance package at the cost of about \$440.00 a month compared to his monthly payment of about \$900.00. He articulated his support of working with the tenants to hiring employees with CORIs.

In response to questions from the Board, the development team stated that tenants would have a lease with an option to buy within 5 years. The effect of selling the property on pre-payment would reduce the debit service and that the developers may have to pay a portion of prepayment. The sale of the bonds will be a direct sale to Boston Private Bank. The land is owned by a corporate entity of four individuals and that construction is expected to start in January 2004. Mr. Riggs could only speak for his company in terms of paying \$12.00 an hour in salaries but he would encourage all tenants to pay living wages.

There being no further questions, the Blue Hill Commons team was excused.

Mr. Glavin introduced the Palmer Street project to the Board. This project was also presented to the Committee on May 5th.

Pastor Jones, of New Palmer Street Realty Trust, representing the interest of the investor, New Covenant Christian Church, gave introductory remarks on the project. He apologized on behalf of Bishop Thompson who was unable to attend due to a funeral.

Pastor Jones spoke of the team and New Covenant's commitment to hiring residents with CORI's. He gave an overview of the prison ministry and the "Take it Back" ministry. Both ministries address prison reentry issues. He has also organized a committee under his leadership consisting of Eva Clark, Rev. Maxie Hudson, Karl Jefferson, Doug Lomax and others to work on preparing Zone residents for employment on the project. They will operate from 340 Blue Hill Ave. New Covenant's Human Resource person, Jacqueline



Hicks, will assist in hiring.

Mr. Jackson presented the rendition of the originally proposed 20,000 sq. ft. building. An additional 3,000 sq. ft. is under negotiation with DND adding frontage on Warren Street. The three retail spaces will result in 152 new and relocated jobs. In response to the Economic Development committee's inquiry about YUM's CORI he informed the Board of that policy.

In discussion about the on-site parking. Mr. Larry Bailey who currently owns a laundromat on an adjacent parcel has expressed an interest in the parking lot as has the Palmer Street Development Team. In meetings with Councilor Turner, an agreement had been reached on shared parking on the lot. Board members raised additional questions regarding parking. The hope is that the municipal lot on Washington Street and the planned 500 space parking lot at the Modern Electroplating Company when complete can be utilized for parking.

Mr. Jackson stated that the development team had met with the Dudley Main Streets staff who were favorable of the project. In response to identifying the "trigger" in the lease of space, Mr. Jackson stated that approximately one-half of the space is leased and that the remaining space will be leased once City approval was received. The Banker's condition will "trigger" the City. The construction timetable is very fluid. The team was ready to bid the project but will redo the information based on the additional space. The Board's vote is critical because upon approval they would start revising the drawings and construction documents for bid. The property was purchased from the previous owners and this matter was discussed at the committee.

In regard to YUM's hiring policy, the Board and Senator Wilkerson would like to see the hiring policy. The tenants are committed to pay living wages.

There being no further questions, the Palmer Street Development team was dismissed.

Discussion by the Board ensued on the following: definition of progress in 120 days; need of a copy of the YUM CORI policy; is the Boston Private Bank letter to the corporation; the expectation of continued Zone employment if the property is sold; the need for language in the sale agreement requiring the owners to maintain the employment agreements/benefits; Mr. Bailey's interest in expanding his business; and how the property be leased if they fail to get tenants and that New Covenant will be the "swing tenant" if necessary.

Motion: To approve \$1,800,000 in Empowerment Zone 108/EDI funds to New Palmer Street Reality Trust Limited Partnership (NPSRT) for the construction of 32,193 square feet of retail/office space at 2-19A Palmer Street, Roxbury.

This vote is valid for 120 days in which time NPSRT will report to Boston Connects, Inc. its' compliance with the development schedule, said development schedule to be established within 30 days of this vote.

NPSRT shall provide reports on a quarterly basis thereafter.

This vote may be rescinded by a vote of the Board should the applicant fail to demonstrate progress in accordance with the development schedule.



By: Mr. Ralph Cooper Second: Mr. Frederick Umeh
Recused: 0 Abstained: 0 Opposed: 0
Motion: **Carried.**

The Board followed up with Blue Hill Commons:

Motion: To approve an Empowerment Zone tax exempt facility bond in an amount not to exceed \$1,450,000 to RJRB Corporation for the construction of 12,000 square feet of office/retail space at "Blue Hill Commons" located at 107 Blue Hill Avenue, Roxbury.

This vote is valid for 120 days in which time RJRB Corporation will report to Boston Connects, Inc. its' compliance with the development schedule, said development schedule to be established within 30 days of this vote.

RJRB shall provide reports on a quarterly basis thereafter.

This vote may be rescinded by a vote of the Board should the applicant fail to demonstrate progress in accordance with the development schedule.

By: Mr. Foley Second: Mr. Baker-Bey
Recused: 0 Abstained: 0 Opposed: 0
Motion: **Carried.**

3. OTHER BUSINESS:

Ms. Carrington was asked for an update on the Summer Jobs Program and the Ex-Offender Consultant. She reported that the RFQ for the summer jobs program was released on May 14 and responses are due June 4th. She reported that 18 responses were received by the deadline of May 16th for the Ex-offender Consultant. The responses are being read and a selection is expected in June.

Meeting adjourned at 8:05 p.m.

A true record attest:

Gloria Coney, Clerk

Date



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